

## SPECIAL NEEDS REFERENCE MATERIAL

### Policy Content

- Information to Assist in Serving Children with Special Needs
- Individualized Family Service Plan (IFSP) Service Delivery Plan
- Individualized Education Program (IEP) Service Delivery Plan
- Fiscal Resources for Inclusion of Children Five and Under (with Special Needs)
- Examples of Use of Smart Start Funds to Promote Inclusion of Children with Special Needs
- Private Funding Sources for Inclusion
- Developmental Day Care Cost Report
- Developmental Day Centers Revenue Documentation
- Developmental Day Cost Study Directions

## INFORMATION TO ASSIST IN SERVING CHILDREN WITH SPECIAL NEEDS

### I. IFSP/IEP DEFINITIONS

The Individualized Family Service Plan (IFSP) is a key document for all children under three years of age who have special needs. It is developed jointly by the child service coordinator from the local program and the family. Often other involved service providers participate in the development of this document. Examples of this include a speech therapist for a child with speech and language goals or the child care provider for children enrolled in child care. The IFSP has summary information on the various assessments completed and the results of these assessments. It includes specific goals or outcomes for the child and in many cases the family as well. The plan then sets forth the specific activities and services that will be provided for the child as well as the location, frequency, and intensity of the services. The payment plans for special needs services often involve varying lengths of time. The agencies and the family must review the plan at least every six months. The agencies are legally bound by the Plan and all services listed must be made available. A single form is used statewide. (click here for a sample [Service Delivery Plan](#).) The area mental health program is responsible for assuring that all eligible children have an IFSP. Further information may be obtained by the “NC Infant-Toddler Program Manual” published by the [North Carolina Early Intervention Branch](#).

**Subsidized Child Care Assistance Program Policy Manual**  
**Chapter 6. Serving Children with Special Needs**  
**Appendix B**

The 504 plan is developed for children who have a physical or mental health disability that limits one or more major life functions. Examples of accommodations in 504 plans include: preferential seating, extended time on tests and assignments, reduced homework or classwork. A student qualifying to be served by Section 504 is one that has:

1. a physical or mental impairment which substantially limits one or more major life activities,
2. a record of such impairment, or
3. is regarded as having such an impairment.

Section 504 is enforced by the Office of Civil Rights. Please contact your school or district coordinator of Section 504 for additional information.

The Individualized Education Program (IEP) is a similar document completed for children aged three and older who have special needs. It also provides assessment information as well as goals, activities, and services to be provided. A statewide form is used [Service Delivery Plan](#). The exceptional children's program coordinator for the Local Education Agency must assure that all eligible children have an IEP. Further information about it may be found in Section .1507 of "Procedures Governing Programs and Services for Children with Disabilities" published by the Public Schools of North Carolina Exceptional Children Division.

**Subsidized Child Care Assistance Program Policy Manual**  
**Chapter 6. Serving Children with Special Needs**  
**Appendix B**

**IFSP SERVICE DELIVERY PLAN**

Service	Provider	Start Date	Location/ Most Natural Environment	Frequency/Intensity	Cost to Family/ Payment Arrangement	Anticipated Duration	Date Ended	Parent/ Coordinative Agency Signature

**Subsidized Child Care Assistance Program Policy Manual  
Chapter 6. Serving Children with Special Needs  
Appendix B**

Child's Name \_\_\_\_\_

Record Number \_\_\_\_\_

Agency Code \_\_\_\_\_

Section Number  
V- 1 \_\_\_\_\_

**INDIVIDUAL EDUCATION PROGRAM / SERVICE DELIVERY PLAN  
(To be completed after the IEP is developed)**

Student: \_\_\_\_\_  
School: \_\_\_\_\_

- Check Purpose
- Initial Entry
  - Annual Review
  - Reevaluation
  - Change in Placement
  - Other: \_\_\_\_\_

**II. AREA OF IDENTIFICATION (ELIGIBILITY) (mark only primary condition)**

- |  |  |
|--|--|
| <input type="checkbox"/> Academically Gifted   | <input type="checkbox"/> Other Health Impaired             |
| <input type="checkbox"/> Autistic  | <input type="checkbox"/> Specific Learning Disabled        |
| <input type="checkbox"/> Behaviorally-Emotionally Handicapped                            | <input type="checkbox"/> Speech - Language Impaired        |
| <input type="checkbox"/> Deaf-Blind  | <input type="checkbox"/> Traumatic Brain Injured           |
| <input type="checkbox"/> Hearing Impaired  | <input type="checkbox"/> Visually Impaired                 |
| <input type="checkbox"/> Mentally Handicapped  | <input type="checkbox"/> Preschool Developmentally Delayed |
| <input type="checkbox"/> EMH <input type="checkbox"/> S/PMH <input type="checkbox"/> TMH |  |
| <input type="checkbox"/> Multi handicapped   |  |
| <input type="checkbox"/> Orthopedically Impaired   |  |

**II. RELATED SERVICES**

- Audiology
- Counseling Services
- Occupational Therapy
- Physical Therapy
- Speech- Language
- Transportation
- Other \_\_\_\_\_

---

- None

**Subsidized Child Care Assistance Program Policy Manual  
Chapter 6. Serving Children with Special Needs  
Appendix B**

\* Child meets the eligibility criteria of the State Board of Education and needs special education.

**III. LEAST RESTRICTIVE ENVIRONMENT (PLACEMENT)**

**A. Amount of Time in Exceptional Education**

<b>Type of Service</b>	<b>Sessions Per Wk./Mo./Yr.</b>	<b>Min. per Session</b>	<b>Hours Per Wk.</b>
Consultation Direct	_____	_____	_____
Special Education	_____	_____	_____
Related Services	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

**B. Continuum of Services:** Check the services considered by the committee, and check the decision reached. Give reason(s) for the decision reached. A continuum of services must be considered.

- |   |   |
|---|---|
| <input type="checkbox"/> Regular – Less than 21% of day | <input type="checkbox"/> Private Separate School – 100% |
| <input type="checkbox"/> Resource - 21% - 60% of day    | <input type="checkbox"/> Public Residential – 100%      |
| <input type="checkbox"/> Separate – 61% or more of day  | <input type="checkbox"/> Private Residential – 100%     |
| <input type="checkbox"/> Public Separate School – 100%  | <input type="checkbox"/> Home / Hospital – 100%         |

**PRESCHOOL**

- |  |  |
|--|--|
| <input type="checkbox"/> Regular- *Up to 6 hours per week        | <input type="checkbox"/> Private Separate School – 100%          |
| <input type="checkbox"/> Resource - *6 to 12 hours per week      | <input type="checkbox"/> Public Residential – 100%               |
| <input type="checkbox"/> Separate - *more than 12 hours per week | <input type="checkbox"/> Private Residential – 100%              |
| <input type="checkbox"/> Public Separate School – 100%           | <input type="checkbox"/> Home / Hospital – 100%                  |
| * Applicable only in a classroom setting                         | <input type="checkbox"/> Home / Family – minimum 1 hour per week |

**Subsidized Child Care Assistance Program Policy Manual**  
**Chapter 6. Serving Children with Special Needs**  
**Appendix B**

**AGENCY:** Check where the student is receiving special services.

- |  |   |
|--|---|
| <input type="checkbox"/> 1. LEA/School in Attendance Area      | <input type="checkbox"/> 3. Other LEA   |
| <input type="checkbox"/> 2. LEA/School Note in Attendance Area | <input type="checkbox"/> 4. Other _____ |

The committee reviewed the full continuum of services, considered those checked above, and selected this setting because:

---

---

---

**C. Regular Program Participation:** Circle the regular class (es) in which the student is enrolled and list the letter(s) for any modification(s) in the link provided.

- |                     |                      |                  |                      |                |
|---------------------|----------------------|------------------|----------------------|----------------|
| _____ Reading       | _____ Library        | _____ History    | _____ For. Language  | _____ Vocation |
| _____ English       | _____ Music/Art      | _____ Science    | _____ Physical Educ. | _____ Recess   |
| _____ Spelling      | _____ Economics      | _____ Health     | _____ Chapter I      | _____ Homeroom |
| _____ Math          | _____ Social Studies | _____ Writing    | _____ Remediation    | _____ Other    |
| _____ Language Arts | _____ Lunch          | _____ Assemblies |                      |                |

Appropriate classroom modification(s), if any:

- |                        |                          |   |          |
|------------------------|--------------------------|---|----------|
| a. Grading             | e. Alternative Materials | i. Interpreter                            | m. Other |
| b. Peer Tutoring       | f. Extended Test Time    | j. Auditory Trainer                       | _____    |
| c. Oral Test           | g. Large Print Books     | k. Assistive Devices                      | _____    |
| d. Abbreviated Assign. | h. Audio Tapes           | l. Computer/Typewriter/<br>Word Processor | _____    |

For preschool children describe how the child is involved in a regular program:

---

---

**IV. TRANSITION SERVICES HAVE BEEN CONSIDERED AND:**

- Transition Plan is attached.

**Subsidized Child Care Assistance Program Policy Manual**  
**Chapter 6. Serving Children with Special Needs**  
**Appendix B**

Services are stated in IEP.

**V. N.C. TESTING PROGRAM: Modification Needed**  **Yes (See Part 111)**  **No**

**VI. IS ADAPTED PHYSICAL EDUCATION REQUIRED?**  **Yes**  **No**

**VII. EXTENDED SCHOOL YEAR (ESY) STATUS:**

Is not eligible for ESY

Is eligible for ESY (See goal sheet)

Eligibility is under consideration and will be determine by \_\_\_\_\_ **(date)**

**VIII. IEP COMMITTEE/PRESCHOOL TRANSITION/PLACEMENT COMMITTEE**

The following were present and participated in the development and writing of the IEP:

Signatures	Position	Date
_____	LEA Representative	_____
_____	Student's Teacher	_____
_____	Parent	_____

**IX. IEP ADDENDUM COMMITTEE/PRESCHOOL TRANSITION/PLACEMENT COMMITTEE**

The following were present and participated in the development and writing of the IEP:

Signatures	Position	Date
_____	LEA Representative	_____
_____	Student's Teacher	_____
_____	Parent	_____

**X. THIS IEP WAS RECEIVED FOLLOWING REEVALUATION AND WAS FOUND TO BE APPROPRIATE.**

Annual review of this IEP will be conducted on or before \_\_\_\_/\_\_\_\_/\_\_\_\_

Signatures	Position	Date
_____	LEA Representative	_____
_____	Student's Teacher	_____
_____	Parent	_____

**Fiscal Resources for Inclusion of  
Children Five and Under with Special Needs**

As communities develop funding plans for their inclusion efforts, “entitlement” based resources such as Medicaid should be investigated first for eligible children. Then other options such as the state and federal early intervention funds through the area mental health program and school system, and the childcare block grants are appropriate to consider. Since the amount of funding in relation to the numbers of eligible children varies considerably between communities, no individual source should be considered without assessing the availability of all of them. Finally, Smart Start funds are intended to address any fiscal gaps not covered by these other sources.

**Special Needs Definition:**

The term “special needs” is used in a variety of different ways. For the purposes of this document, it means:

- a) children under three with or at risk for developmental disabilities, delays, or atypical development, determined to be eligible by the Consortium, a local interagency council. The complete criteria and eligibility determination procedures are contained in Bulletins 16, 17, 21, and 22 of the “North Carolina Infant-Toddler Program Manual”.
- b) children ages three, four and five not eligible for kindergarten served through Public Schools of North Carolina who meet the eligibility definitions contained in Sections .1501 and .1505 of “Procedures Governing Programs and Services for Children with Disabilities.”

**Subsidized Child Care Assistance Program Policy Manual**  
**Chapter 6. Serving Children with Special Needs**  
**Appendix B**

- c) children over three years of age can receive some services through Area Mental Health, Developmental Disabilities, and Substance Abuse Services, if they have a documented developmental delay, developmental disability, or child mental health diagnosis as defined in MH/DD/SAS publication “Funding System Operating Manual – Volume III: Level of Eligibility.”
- d) children of any age participating in Health Choice as “special needs” are those who have been diagnosed as having one or more of the following conditions which, in the opinion of the diagnosing physician, (i) is likely to continue indefinitely, (ii) interferes with daily routine, and (iii) requires extensive medical intervention and extensive family management:
- (1) Birth defect, including genetic, congenital, or acquired disorders;
  - (2) Developmental disability as defined under G.S. 122C-3,
  - (3) Mental or behavioral disorder; or
  - (4) Chronic and complex illnesses.

Smart Start suggestions are only a sampling; please contact your local partnership for other options.

<b>Source</b>	<b>Child Eligibility</b>	<b>Local Administering Agency &amp; Contact Person</b>	<b>Guidelines for Use of Funds</b>	<b>Funding Levels</b>	<b>Other Access Procedures</b>
Child Care Block Grant Funds	<ul style="list-style-type: none"> <li>• low income</li> <li>• under 5 (and school age)</li> <li>• special needs</li> <li>• typically</li> </ul>	<ul style="list-style-type: none"> <li>• Child Care Coordinator, Dept. of Social Services, or other Purchasing Agency</li> </ul>	<ul style="list-style-type: none"> <li>• In facilities or homes designed primarily for typically developing children the funds can be used for most any type of additional expenses incurred for additional activities</li> </ul>	<ul style="list-style-type: none"> <li>• Reimbursement rate can be up to the cost documented and approved on the “Additional Expense Documentation Form” or in the case of special needs or typically developing children enrolled in</li> </ul>	<ul style="list-style-type: none"> <li>• Reimbursement rate for a child with special needs enrolled in an inclusive setting is the approved supplemental rate for serving a specific child,</li> </ul>

**Subsidized Child Care Assistance Program Policy Manual**  
**Chapter 6. Serving Children with Special Needs**  
**Appendix B**

	developing		<p>or services necessary to successful inclusion, supplies, equipment, staff training, additional direct care staff, renovations for accessibility, etc. The principal items not allowed are the specialized therapy or early intervention/special education services provided to the child with special needs or consultation to the staff of the centers.</p> <ul style="list-style-type: none"> <li>• In centers certified as Developmental Day, funds can cover costs related to serving both the typically developing and special needs child.</li> <li>• <b>Reference:</b> Chapter 16 and 17, <a href="#">Subsidized Child</a></li> </ul>	<p>Developmental Day Centers, up to the allowable cost as determined by the DMH/DD/SAS net cost study or the rate indicated.</p> <ul style="list-style-type: none"> <li>• County DSS a set aside amount each year as part of their annual allocation which represents the minimum amount to be spent.</li> </ul>	<p>when approved to meet the child care needs for that individual child.</p> <ul style="list-style-type: none"> <li>• The amount of the set- aside for each county must be at least as much as the county was required to set-aside in SFY 95-96 for serving children with special need.</li> </ul>
--	------------	--	---	--	---

**Subsidized Child Care Assistance Program Policy Manual**  
**Chapter 6. Serving Children with Special Needs**  
**Appendix B**

[Care Assistance  
Program Manual](#)

<b>Source</b>	<b>Child Eligibility</b>	<b>Local Administering Agency &amp; Contact Person</b>	<b>Guidelines for Use of Funds</b>	<b>Funding Levels</b>	<b>Other Access Procedures</b>
Department of Public Instruction Title I	<ul style="list-style-type: none"> <li>• 4-yr. olds</li> <li>• after school care for 5-yr. olds</li> <li>• low income children at risk for school failure</li> </ul>	<ul style="list-style-type: none"> <li>• Local Education Agency</li> </ul>	<ul style="list-style-type: none"> <li>• Salaries, benefits, supplies, materials, equipment, staff development and travel.</li> </ul>	<ul style="list-style-type: none"> <li>• Funding level is dependent on local priorities.</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
Dept. of Public Instruction Federal and State IDEA and Preschool Funds	<ul style="list-style-type: none"> <li>• special needs</li> <li>• 3- and 4-year-olds</li> </ul>	<ul style="list-style-type: none"> <li>• Preschool Coordinator, Exceptional Children's Program, Local Education Agency (LEA)</li> </ul>	<ul style="list-style-type: none"> <li>• Salaries of licensed special education personnel for the time they work with the special needs children enrolled in the childcare facility or home. Related costs such as staff travel, special needs child transportation, teaching supplies and materials, classroom assistants, professional</li> </ul>	<ul style="list-style-type: none"> <li>• Funds can cover the full costs associated with these items up to the amount of the annual allocation.</li> <li>• LEA gets a fixed allocation annually, based upon a headcount and a funding</li> </ul>	<ul style="list-style-type: none"> <li>• Special education and related services and costs must be included on the child's Individual Education Program (IEP).</li> </ul>

**Subsidized Child Care Assistance Program Policy Manual**  
**Chapter 6. Serving Children with Special Needs**  
**Appendix B**

			development, and interagency service planning activities.	formula.	
Division of Early Intervention and Education (DEIE) Federal and State EI Funds	<ul style="list-style-type: none"> <li>• special needs</li> <li>• primarily under 3</li> <li>• (Limited availability for 3, and older)</li> </ul>	<ul style="list-style-type: none"> <li>• Early Intervention Director, Area MH/DD/SAS Program</li> </ul>	<ul style="list-style-type: none"> <li>• Salaries and travel for early intervention personnel who work with the special needs children enrolled in the center or who provide consultation to the childcare facility or home staff. (Note: early intervention personnel include general infant toddler specialists or specialized therapists-speech, occupational, physical.)</li> </ul>	<ul style="list-style-type: none"> <li>• Funds can cover the full costs associated with these items.</li> <li>• The Area MH/DD/SAS program gets a fixed allocation annually no matter how many children are referred or served.</li> </ul>	<ul style="list-style-type: none"> <li>• Special needs related services and costs must be included on the child's Individualized Family Services Plan (IFSP).</li> </ul>

Subsidized Child Care Assistance Program Policy Manual  
 Chapter 6. Serving Children with Special Needs  
 Appendix B

Source	Child Eligibility	Local Administering Agency & Contact Person	Guidelines for Use of Funds	Funding Levels	Other Access Procedures
Division of Early Intervention and Education (DEIE) Federal and State EI Funds (continued)			<ul style="list-style-type: none"> <li>• Salaries and travel for paraprofessional staff who are needed for direct work with the special needs children for successful inclusion.</li> <li>• Teaching supplies, materials, equipment</li> <li>• Assistance to parents for fees</li> <li>• Supplements to the DSS market purchase of care rate.</li> <li>• up to the maximum allowable cost as approved on the “Additional Expense Documentation Form” or to provide full payment for children who don’t qualify in terms of income for</li> </ul>		

Subsidized Child Care Assistance Program Policy Manual

Chapter 6. Serving Children with Special Needs

Appendix B

			<p>the childcare subsidy program.</p> <ul style="list-style-type: none"><li>• Transportation of the child with special needs</li><li>• Minor renovations to facilities and homes to ensure accessibility.</li></ul> <p>Child Service Coordination</p>		
--	--	--	---	--	--

**Subsidized Child Care Assistance Program Policy Manual**  
**Chapter 6. Serving Children with Special Needs**  
**Appendix B**

<b>Source</b>	<b>Child Eligibility</b>	<b>Local Administering Agency &amp; Contact Person</b>	<b>Guidelines for Use of Funds</b>	<b>Funding Levels</b>	<b>Other Access Procedures</b>
Division of Early Intervention and Education (DEIE) Federal and State EI Funds  Early Intervention Branch in the Women's and Children's Health Section of the Division of Public Health	<ul style="list-style-type: none"> <li>• special needs-visual impairments</li> <li>• birth through 5</li> </ul>	<ul style="list-style-type: none"> <li>• Preschool Coordinator, Governor Morehead School for the Blind-Raleigh</li> </ul>	<ul style="list-style-type: none"> <li>• Salaries and travel for special education and early intervention personnel who work directly with the special needs children enrolled in the center or who provide general consultation to the childcare facility.</li> <li>• Child Service Coordination.</li> <li>• Related costs such as transportation, teaching supplies and materials for special needs children.</li> </ul>	<ul style="list-style-type: none"> <li>• Funds can cover the full costs associated with these items.</li> <li>• This agency gets a fixed allocation annually no matter how many children are served or referred.</li> </ul>	<ul style="list-style-type: none"> <li>• Special needs related services and costs must be included on the child's IFSP or IEP.</li> </ul>
Division of Early Intervention and Education (DEIE) Federal and State EI Funds	<ul style="list-style-type: none"> <li>• special needs-hearing impairments</li> <li>• birth through 5</li> </ul>	<ul style="list-style-type: none"> <li>• Preschool Coordinators:               <ul style="list-style-type: none"> <li>– Eastern N.C. School for the Deaf-Wilson</li> <li>– Central</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Salaries and travel for early intervention personnel who work with the special needs children enrolled in the center or who provide consultation to the childcare facility or home staff. (Note: early intervention personnel include general infant</li> </ul>	<ul style="list-style-type: none"> <li>• Funds can cover the full costs associated with these items.</li> <li>• This agency gets a fixed allocation annually no</li> </ul>	<ul style="list-style-type: none"> <li>• Special needs related services and costs must be included on the child's IFSP or IEP.</li> </ul>

**Subsidized Child Care Assistance Program Policy Manual**  
**Chapter 6. Serving Children with Special Needs**  
**Appendix B**

		<p>N.C. School for the Deaf-Greensboro</p> <p>– Western N.C. School for the Deaf-Morganton</p>	<p>toddler specialists or specialized therapists- speech, occupational, physical.)</p> <ul style="list-style-type: none"> <li>• Salaries and travel for paraprofessional staff who are needed for direct work with special needs children for successful inclusion.</li> <li>• Teaching supplies, materials, equipment. Child Service Coordination.</li> </ul>	<p>matter how many children are referred or served.</p>	
<b>Source</b>	<b>Child Eligibility</b>	<b>Local Administering Agency &amp; Contact Person</b>	<b>Guidelines for Use of Funds</b>	<b>Funding Levels</b>	<b>Other Access Procedures</b>
<p>Division of Mental Health, Developmental Disabilities, and Substance Abuse Services Developmental Day Inclusion Grants</p>	<ul style="list-style-type: none"> <li>• special needs</li> <li>• under 5 (and school age)</li> <li>• typically developing</li> </ul>	<ul style="list-style-type: none"> <li>• Developmental Disabilities Coordinator, Area MH/DD/SAS</li> </ul>	<ul style="list-style-type: none"> <li>• Any activities and costs related to increasing the quality and accessibility of inclusive Developmental Day Services. Funds can be targeted to special needs children or those who are typically developing.</li> </ul>	<ul style="list-style-type: none"> <li>• Set amount up to \$60,000 per grant.</li> <li>• 8-12 grants awarded per year.</li> </ul>	<ul style="list-style-type: none"> <li>• Grant recipient must be a certified Developmental Day Center, but they can subgrant funds to other community early intervention or early childhood</li> </ul>

**Subsidized Child Care Assistance Program Policy Manual  
Chapter 6. Serving Children with Special Needs  
Appendix B**

					agencies and providers. Funds awarded through an annual RFP process.
Division of Mental Health, Developmental Disabilities and Substance Abuse Services Child DD Funds	<ul style="list-style-type: none"> <li>• special needs</li> <li>• under 18</li> </ul>	<ul style="list-style-type: none"> <li>• Developmental Disabilities Coordinator, Area MH/DD/SAS</li> </ul>	<ul style="list-style-type: none"> <li>• All of the options listed under DMH/DD/SAS early intervention funds above.</li> </ul>	<ul style="list-style-type: none"> <li>• The Area MH/DD/SAS Program gets a fixed, limited amount of funding each year, regardless of how many children are served.</li> </ul>	<ul style="list-style-type: none"> <li>• Services must be reflected on the IFSP or other rehabilitation plan.</li> </ul>
Division of Mental Health, Developmental Disabilities, and Substance Abuse Services DD Waiting List Funds	<ul style="list-style-type: none"> <li>• special needs</li> </ul>	<ul style="list-style-type: none"> <li>• Developmental Disabilities Coordinator, Area MH/DD/SAS</li> </ul>	<ul style="list-style-type: none"> <li>• All of the options listed under DMH/DD/SAS early intervention funds above.</li> </ul>	<ul style="list-style-type: none"> <li>• Each Area MH/DD/SAS Program gets a set amount each year based on the number of eligible persons with developmental disabilities on their waiting list.</li> </ul>	<ul style="list-style-type: none"> <li>• Children funded must be referred to the Area MH/DD/SAS Program “Single Portal” (interagency) process to determine eligibility for the waiting list.</li> <li>• DD waiting list funds cannot be used unless all other early intervention/early</li> </ul>

**Subsidized Child Care Assistance Program Policy Manual**  
**Chapter 6. Serving Children with Special Needs**  
**Appendix B**

					childhood funds are exhausted.
--	--	--	--	--	-----------------------------------

**Subsidized Child Care Assistance Program Policy Manual**  
**Chapter 6. Serving Children with Special Needs**  
**Appendix B**

<b>Source</b>	<b>Child Eligibility</b>	<b>Local Administering Agency &amp; Contact Person</b>	<b>Guidelines for Use of Funds</b>	<b>Funding Levels</b>	<b>Other Access Procedures</b>
Division of Mental Health, Developmental Disabilities, and Substance Abuse Services Child Mental Health Funds	<ul style="list-style-type: none"> <li>special needs</li> <li>under 18</li> </ul>	<ul style="list-style-type: none"> <li>Child Mental Health Coordinator, Area MH/DD/SAS Program</li> </ul>	<ul style="list-style-type: none"> <li>A wide variety of child or family focused mental health or early intervention related services, including support to community childcare.</li> </ul>	<ul style="list-style-type: none"> <li>Each Area MH/DD/SAS Program gets a set amount each year, regardless of how many are served.</li> </ul>	
Division of Mental Health, Developmental Disabilities, and Substance Abuse Services Community Alternative Program - Mental Retardation Developmental Disabilities (CAP-MR/DD)	<ul style="list-style-type: none"> <li>children of all ages with special needs and who are coming out of an Intermediate Care Facility – Mental Retardation (ICF/MR) or for whom services are necessary to avoid placement in an ICF/MR facility.</li> </ul>	<ul style="list-style-type: none"> <li>Developmental Disabilities Coordinator, Area MH/DD/SAS Program</li> </ul>	<ul style="list-style-type: none"> <li>Funds can be used for a variety of community support services for eligible children such as speech, physical therapy, and occupational therapy, respite care, special instruction, and support. For the special needs child in a childcare facility and training for facility staff, specialized equipment, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Funds can cover all the community needs of eligible children.</li> <li>Funds are available on a “slot” basis.</li> <li>Each Area MH/DD/SAS Program gets a fixed number of “slots” per year.</li> </ul>	<ul style="list-style-type: none"> <li>Prioritization for available “slots” is done through a Local Interagency Council.</li> </ul>

**Subsidized Child Care Assistance Program Policy Manual**  
**Chapter 6. Serving Children with Special Needs**  
**Appendix B**

<b>Source</b>	<b>Child Eligibility</b>	<b>Local Administering Agency &amp; Contact Person</b>	<b>Guidelines for Use of Funds</b>	<b>Funding Levels</b>	<b>Other Access Procedures</b>
Division of Public Health	<ul style="list-style-type: none"> <li>• special needs</li> <li>• birth to 18</li> </ul>	<ul style="list-style-type: none"> <li>• Child Service Coordination Program Manager, Health Department</li> <li>• Developmental Evaluation Centers</li> </ul>	<ul style="list-style-type: none"> <li>• Assistive technology devices and services.</li> <li>• Multi-disciplinary evaluations.</li> <li>• Child service coordination.</li> <li>• Specialized therapies (speech, physical and occupational).</li> <li>• Nutrition counseling.</li> <li>• Health and medical services necessary to access other types of early intervention services.</li> </ul>	<ul style="list-style-type: none"> <li>• Some services are available for all Medicaid eligible children. With others, the community gets a fixed allocation annually.</li> </ul>	N/A
Medicaid	<ul style="list-style-type: none"> <li>• low income</li> <li>• special needs</li> <li>• birth through 5</li> <li>• Medicaid eligible</li> </ul>	<ul style="list-style-type: none"> <li>• Early Intervention Director, Area MH/DD/SAS Program</li> <li>• Preschool Coordinators, Local</li> </ul>	<ul style="list-style-type: none"> <li>• Salaries for early intervention personnel who work directly with the special needs children enrolled in the center or who provide consultation to the childcare facility or home staff.</li> </ul>	<ul style="list-style-type: none"> <li>• Funds are available at 63% of the total unit cost rate established for these services.</li> </ul>	<ul style="list-style-type: none"> <li>• Services provided must meet the IFSP/EIP provisions listed above plus some additional Medicaid requirements regarding documentation and</li> </ul>

**Subsidized Child Care Assistance Program Policy Manual**  
**Chapter 6. Serving Children with Special Needs**  
**Appendix B**

		<p>Education Agency</p> <ul style="list-style-type: none"> <li>• Health Department</li> </ul>	<ul style="list-style-type: none"> <li>• Salaries for paraprofessional staff who are needed for direct work with the special needs children to ensure successful inclusion.</li> <li>• The salaries for Child Service Coordinator.</li> </ul>		<p>service approval.</p> <ul style="list-style-type: none"> <li>• There are limitations on which agencies can bill Medicaid. These include LEAs, Area MH/DD/SAS Programs and agencies and organizations with whom they contract, Health Departments and their designated contract agencies.</li> </ul>
--	--	---	---	--	--

**Subsidized Child Care Assistance Program Policy Manual**  
**Chapter 6. Serving Children with Special Needs**  
**Appendix B**

<b>Source</b>	<b>Child Eligibility</b>	<b>Local Administering Agency &amp; Contact Person</b>	<b>Guidelines for Use of Funds</b>	<b>Funding Levels</b>	<b>Other Access Procedures</b>
Fees	N/A	N/A	N/A	N/A	N/A
Smart Start	<ul style="list-style-type: none"> <li>• special needs</li> <li>• typically developing</li> <li>• birth to 5</li> </ul>	<ul style="list-style-type: none"> <li>• Smart Start Partnership</li> </ul>	<ul style="list-style-type: none"> <li>• Funds can be used for all of the types of activities and services listed above. See Attachment I for a sampling of how a number of local Partnerships have targeted funds for inclusion.</li> </ul>	<ul style="list-style-type: none"> <li>• Each local Partnership gets a fixed annual allocation for which they must develop a budget and plan.</li> </ul>	<ul style="list-style-type: none"> <li>• Funded activities are based on this plan. They are all encouraged to use some of their funds for activities related to children with special needs and their families. The majority (70%) of the funds must go towards increasing the quality or accessibility of child care.</li> </ul>
Private Sources	N/A	<ul style="list-style-type: none"> <li>• For a listing of some of the private agencies that</li> </ul>	N/A	N/A	N/A

**Subsidized Child Care Assistance Program Policy Manual**  
**Chapter 6. Serving Children with Special Needs**  
**Appendix B**

		communities have reported as funding sources, see Attachment II.			
--	--	--	--	--	--

Subsidized Child Care Assistance Program Policy Manual  
 Chapter 6. Serving Children with Special Needs  
 Appendix B

Source	Child Eligibility	Local Administering Agency & Contact Person	Guidelines for Use of Funds	Funding Levels	Other Access Procedures
Head Start Early Head Start	<ul style="list-style-type: none"> <li>• low income</li> <li>• special needs typically developing.</li> <li>• birth through five</li> </ul>	<ul style="list-style-type: none"> <li>• Varies by community: Community Action Program, other private non-profit, Local Education Agency, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• This is a type of program rather than a funding source. As programs they have standards that require a comprehensive array of services be provided as part of the program. These services include health, dental, developmental and social.</li> </ul>	<ul style="list-style-type: none"> <li>• Local programs are given a fixed allocation on an annual basis.</li> </ul>	<ul style="list-style-type: none"> <li>• Federal Head Start standards have required that at least 10% of the children enrolled be those with special needs. Historically, N.C. programs have consistently exceeded this expectation. For the most part, Head Start programs focus on children three and older. There are a small number of Early Head Start programs that enroll infants and toddlers.</li> </ul>
Health Choice	<ul style="list-style-type: none"> <li>• family income up to</li> </ul>	<ul style="list-style-type: none"> <li>• Applications available</li> </ul>	For eligible children, a variety of health and	<ul style="list-style-type: none"> <li>• No local limits, but a fixed state</li> </ul>	<ul style="list-style-type: none"> <li>• Services require prior approval at</li> </ul>

**Subsidized Child Care Assistance Program Policy Manual**  
**Chapter 6. Serving Children with Special Needs**  
**Appendix B**

	<p>200% of poverty level</p> <ul style="list-style-type: none"> <li>• child meets “special needs” criteria as defined in GS 108A-70.23 (See d below.)</li> </ul>	<p>through county Health and Social Services Departments</p>	<p>early intervention services are covered. Examples of the latter include speech, physical therapy, occupational therapy, assistive technology and special instruction to children enrolled in childcare centers and child care homes and consultation to staff of such programs.</p>	<p>level of appropriation.</p>	<p>state level. For more information, call 1-800-422-4658.</p>
--	--	--	--	--------------------------------	--

## **Examples of Use of Smart Start Funds to Promote Inclusion of Children with Special Needs**

- √ increased childcare rates for providers serving children with special needs
- √ renovations, expansion of existing facilities such as developmental day centers or therapeutic preschools so they can enroll typically developing children
- √ case management/child service coordination
- √ community forums about inclusion
- √ child mental health personnel to work with children with atypical development and their families (assessment and intervention)
- √ enhanced resource and referral services for parents of children with special needs
- √ contracts with parents of children with special needs to serve as trainers in staff development and public awareness activities
- √ screening/evaluation teams to work at community sites and childcare programs
- √ special needs related equipment (indoor and outdoor) for participating childcare programs
- √ funds for childcare centers to hire substitutes to free up regular staff for training events
- √ employ and train a pool of teachers/aids to serve as substitutes or in crisis situations where childcare programs need additional “hands-on” staff on a temporary basis for a special needs child
- √ outreach/resource person for deaf/hard of hearing community
- √ respite and crisis nursery services
- √ additional/enhanced transportation services (van modifications, adapted car seats, etc.)
- √ enhance or establish local Parent-to-Parent Programs
- √ inclusion training for front line staff from all participating agencies
- √ after school services

**Subsidized Child Care Assistance Program Policy Manual**  
**Chapter 6. Serving Children with Special Needs**  
**Appendix B**

- √ flexible support services to allow children with special needs to participate in other community activities (i.e., aide to assist a child with physical disabilities who attends a YMCA recreation program)
- √ mini grants to child care providers (a flexible pot of money to respond to any kind of need experience by child care providers in serving children with special needs)
- √ outreach specialists with special needs background to provide consultation and support to childcare providers
- √ provide vouchers to parents of children with special needs to obtain speech, physical or occupational therapy from the provider of their choice
- √ family support funds with cash subsidies or voucher to be used by parents of children with special needs for such things as respite care
- √ enhanced cultural diversity; translations of outreach/public awareness materials and outreach personnel
- √ funds to acquire broader variety of developmentally appropriate educational supplies and materials for special needs self-contained programs to enroll typically developing children
- √ placing a family support specialist with a neonatal intensive care unit to provide information and other support to parents of children with or at risk for disabilities before they leave the hospital

**Note: The above is not an exhaustive list of all allowable activities. It is a sampling of those that have been reported by local Partnerships.**

**Subsidized Child Care Assistance Program Policy Manual**  
**Chapter 6. Serving Children with Special Needs**  
**Appendix B**

**Private Funding Sources for Inclusion**

- √ United Way
- √ Civitan's (interest in children with mental retardation)
- √ Rotary Club
- √ Sertoma Club (interest in children with hearing loss)
- √ Lions Club (interest in children with visual impairment)
- √ Kiwanis Club
- √ Knights of Columbus
- √ Shriners
- √ Junior League
- √ Boy Scouts of America
- √ Girl Scouts of America
- √ The ARC (Association for Citizens with Mental Retardation)
- √ UCP (United Cerebral Palsy)
- √ Grants
- √ Personal donations
- √ Corporate donations (UPS, Lowes Corporate Headquarters-Wilkes Co., Food Lion, etc.)
- √ Police Department
- √ World 600 Charities
- √ Community events (Woolly Worm Festival, booth at the county fair, etc.)
- √ Local TV and radio stations (particularly with Community Forums and provider recruitment)

Subsidized Child Care Assistance Program Policy Manual  
 Chapter 6. Serving Children with Special Needs  
 Appendix B

√ Telephone Pioneers

**Note: The above is not an exhaustive list of all possible sources. It only reflects those who have been reported by local agencies as having provided funding.**

**Schedule A      Developmental Day Care Cost Report for FY 20\_\_ - 20\_\_**  
**Enrollment**

Name of Center: \_\_\_\_\_

ENROLLMENT INFORMATION		Typically Developing Children	SPECIAL NEEDS Children
Month	TOTAL * ENROLLMENT		
July			
August			
September			
October			
November			
December			
January			
February			
March			
April			
May			
June			
TOTAL Child-Months			

**Total enrollment should = TDC + SNC**

\*Use FTE for children enrolled on a part-time basis; assign a percentage (i.e., half time = .5)

**DISTRIBUTION PERCENTAGE CALCULATIONS**

**ADMINISTRATIVE/CLERICAL/FISCAL:**

Total Children (from above)	0	0	
Multiplier	1	2	TOTAL
Sum (Child-Mo. X			0

**Subsidized Child Care Assistance Program Policy Manual  
Chapter 6. Serving Children with Special Needs  
Appendix B**

Multiplier)		
Percentage Distribution		100.00%

**INSTRUCTIONAL/CARE PERSONNEL:**

Total Children (from above)	0	0	
Multiplier (2, 3, or 4)	1		TOTAL
Sum (Child-Mo. X Multiplier)	0		0
Percentage Distribution			100.00%

**FACILITY/OTHER COSTS:**

Use "Child-Months"			TOTAL
Percentage Distribution			100.00%

Prepared By: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Signed: \_\_\_\_\_

Return to: Program Support  
Early Intervention Branch  
Women's & Children's Health Section  
Division of Public Health  
1916 Mail Service Center  
Raleigh, NC 27699-4834  
Phone: 919-707-5521  
Fax: 919-870-4834  
E-mail: [Karen.Takas@dhhs.nc.gov](mailto:Karen.Takas@dhhs.nc.gov)

Subsidized Child Care Assistance Program Policy Manual  
 Chapter 6. Serving Children with Special Needs  
 Appendix B

Schedule B – Page 1  
**EXPENDITURES**

**Developmental Day Cost Report for FY 20\_\_ - 20\_\_**

**Name of Center:** \_\_\_\_\_

	Actual Cost for Twelve (12) Months Ending June 30, 20__				
	Total Cost	Typically Developing Children		Amounts Identified for Special Needs Children	
<b>Expenditures By Category</b>			Percentage	Amount	Percentage
<b>100 Personnel Cost (List All Positions except Transportation Staff);</b>					
120 Salaries & Wages					
121 Salaries & Wages - Regular					
H habilitation Spec					
H habilitation asst (1/2 time)					
H habilitation asst (PRN)					
H habilitation asst (PRN)					
H habilitation asst (PRN)					
Sub-total Salaries & Wages	0.00		0.00		0.00
Calculate percentage of Total Salaries ->	100.00%				
170 Board Member Expenses					
180 Fringe Benefits					
181 Social Security					
182 Retirement					
183 Health Insurance					
184 Disability Insurance					

**Subsidized Child Care Assistance Program Policy Manual  
Chapter 6. Serving Children with Special Needs  
Appendix B**

<i>Contribution</i>					
<i>186 Worker's Compensation Insurance</i>					
<i>189 Other Fringe Benefits</i>		<b>Distribute Sub-total Based on Percentage (above)</b>			
Sub-Total Board Member & Fringe Benefits	0.00	%		%	
190 Professional Services (List by Position/consultant):					
(Contract Personnel)					
<b>TOTAL PERSONNEL COSTS</b>	0.00		0.00		0.00

**\*Example of Costs Exclusively for Special Needs children include speech, Physical and Occupational Therapy, Social work/Case Management for special Needs Children, Psychologist and other diagnostic personnel, specialized equipment (and related maintenance) for communication, mobility, etc.**



**Subsidized Child Care Assistance Program Policy Manual**  
**Chapter 6. Serving Children with Special Needs**  
**Appendix B**

<i>Health Insurance</i>					
<i>Disability Insurance Contribution</i>					
<i>Worker's Compensation Insurance</i>					
<i>Other Fringe Benefits</i>					
<i>Total transportation of Children</i>					
<i>311 Staff Travel</i>					
<i>312 Staff Travel Subsistence</i>					
<i>313 Transportation of Clients</i>					
320 Telephone & Postage					
330 Utilities					
340 Printing, Binding, Reproduction					
350 Repairs & Maintenance					
380 Data Processing Services					
390 Other Services					
SUB-TOTAL					

Subsidized Child Care Assistance Program Policy Manual  
 Chapter 6. Serving Children with Special Needs  
 Appendix B

**Schedule B – Page 3      Developmental Day Care Cost Report for FY 20\_\_ - 20\_\_**  
**Expenditures**

Name of Center: \_\_\_\_\_

	Actual Cost for Twelve (12) Months Ending June 30, 20__				
	Total Cost	Typically Developing Children		Amounts Identified for Special Needs Children	
<b>Expenditures by Category</b>		Percentage	Amount	Percentage	Amount
<b>400 Fixed Charges &amp; Other Expenses</b>					
410 Rental of Real Property					
430 Rental of Other Equipment					
440 Service & Maintenance Contracts					
450 Insurance & Bonds					
460 Depreciation					
480 Indirect Cost (attach explanation)					
490 Other Fixed/Current Operating Expenses					
Mortgage Payments					
<b>SUB-TOTAL</b>					
<b>500 Capital Outlay</b>					
510 Office Furniture & Equipment					
520 Data Processing Equipment					
530 Education & Medical Equipment					
540 Motor Vehicles					
550 Other Equipment					
570 Land					
580 Building, Structures, Improvements					
<b>SUB-TOTAL</b>					
<b>600 Contracts, Grants, Etc. (List)</b>					



**Subsidized Child Care Assistance Program Policy Manual  
Chapter 6. Serving Children with Special Needs**

**Schedule C  
Developmental Day Centers Revenue Documentation**

<b>Source</b>	<b>Typically Developing Children</b>	<b>Special Needs Children</b>	<b>Comments</b>
<b>State/Federal Early Intervention Funds</b>			
<b>Other MH/DD/SAS Revenue</b>			
<b>Medicaid</b>			
<b>County Appropriations</b>			
<b>Local Education Agency Allocation</b>			
<b>Smart Start Funds</b>			
<b>Food Program Reimbursement</b>			
<b>Developmental Day Parent Fees</b>			
<b>Special Grants/Other Revenues</b>			
<b>Total Revenues Other Than Child Care</b>			

\*Transfer Total Revenues to “Schedule B-Expense” page to identify net cost

## **DEVELOPMENTAL DAY COST STUDY DIRECTIONS**

**If you are filling out this form electronically, please note that many of the formulas have already been put in place for you on Schedules, A, B, & C**

### BACKGROUND

The methodology for determining the costs of serving typically developing children reflects the following:

The principle is that costs are divided into four major categories: Administrative /Clerical, Instructional/Care Personnel, Facility/Other, and Exclusive Special Needs. For each of the four categories the ratio of costs assigned to the special needs and typically developing children differs.

- 1) Administrative/clerical costs are assigned on a 2 to 1 ratio to special needs because of the extra administrative work (billing, child records, etc.).
- 2) Some costs are associated entirely with special needs children. These include speech, physical, and occupational therapy, specialized equipment, etc.
- 3) Instructional/Care Personnel time and other costs for personnel who work with both the special needs and typically developing children (classroom teachers, teacher aides, etc.) are weighted more to the special needs children. The degree of this weighting varies across Centers and reflects the severity of the disability of the children served.
- 4) Other costs such as facility, transportation, etc. can be assigned equally to special needs and typically developing children.

The cost study must be completed for all certified Developmental Day Centers wishing to receive childcare subsidy for either their special needs or typically developing children. Market rates cannot be used.

### SCHEDULE A

#### I. Enrollment Information

**Subsidized Child Care Assistance Program Policy Manual**  
**Chapter 6. Serving Children with Special Needs**

- A. Enter the number of typically developing and special needs children enrolled (not in attendance) for each of the twelve months of FY 00-01.
- II. Distribution Percentage Calculations
  - A. Compute the percentage distribution for the Administrative/ Clerical, Instructional/Care Personnel, and Facility/Other costs according to their respective multipliers.
  - B. There are three options for the multiplier for the Instructional/ Care Personnel: 2 to 1, 3 to 1, or 4 to 1. Use one of these ratios depending on the severity of the special needs children enrolled in your center and the amount of staff time needed for them as opposed to the children who are typically developing.
  - C. There is not a grouping for exclusive special needs costs as these are automatically assigned at the 100% level to the special needs children.

(Usually in areas where totals are required).

**SCHEDULE B**

- I. Expenditure Documentation
  - A. Enter amounts expended during the twelve months of FY 00-01 in the “Total Costs” column. For each line, assign a percentage based on Schedule A and compute the actual amount for the “Amount” column.

**NOTE:**a) Staff listed under “Personnel Costs” will fall into the Administrative/Clerical, Instructional/Care, and Exclusive Special Needs categories depending on their role. Center Directors and bookkeepers would be in the Administrative/Clerical category.

- b) If the governing body of the center has approved a salary increase for the STATE FISCAL YEAR 2001-02, salary expenditures can be adjusted by this amount. Written documentation signed by the chair of the governing body and center director must be attached.

SCHEDULE C

I. Revenue Documentation

**NOTE:** Revenue amount should reflect actual receipts for the full

- a. Twelve months of State Fiscal Year 2001-02. The intent of this documentation is to identify the average amount of revenue by these funding sources and a total of all revenue sources for all special needs and typically developing children enrolled in the Center even though some funds are only available to some of the children enrolled. For each source used and the Total Revenue line, take the total amount of funds available to the Center and divide by the total number of children enrolled, then divide this by 12 to get an average amount per child per month, either special needs or typically developing or both.
- b. Local Education Agency Allocation - This includes all types of funds provided by the school system including the Developmental Day slot monies.
- c. Smart Start Funds - This includes allocations from local partnerships for specific center activities such as teachers, supplies, equipment, etc. If Smart Start funds are provided through supplements to the subsidy rate, these should not be reflected.
- d. Parent Fees - This should be for fees collected for children not receiving childcare subsidy.
- e. Special Grants/Other Revenues (United Way, Foundations, etc.) – Do not include those that are designated for a specific purpose such as facility purchase, outreach, intensified services for difficult to serve children, program development, etc.